



Competitive Carriers Association
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Competitive Carriers Association

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November 8, 2013

Via ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: MD Docket No. 13-140, *Assessment and Collection of Regulatory Fees for Fiscal Year 2013*

MD Docket No. 12-201, *Procedures for Assessment and Collection of Regulatory Fees*

MD Docket No. 08-65, *Assessment and Collection of Regulatory Fees for Fiscal Year 2008*

Dear Ms. Dortch:

On Wednesday, November 6, 2013, Rebecca Murphy Thompson, General Counsel, Competitive Carriers Association (CCA) and the undersigned met with Mika Savir of the Telecommunications Consumers Division of the Enforcement Bureau and Roland Helvajian of the Office of Managing Director to discuss proposals offered by the Commission in its Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking,¹ as well as its Report and Order² related to revisions to the Commission's regulatory fee program.

CCA started off by noting its support for the Commission's decision to utilize updated FTE data to more accurately determine the time Commission employees devote to particular activities,³ and discussed the regularity with which the Commission might review and update the FTE data used for assessment of fees. However, CCA explained the reasons why it does not currently support the Commission's proposal to combine wireless and wireline FTEs into a uniform fee rate for interstate telecommunications service providers [ITSPs] and wireless providers. For example, wireless providers are unique in the requirement that they must purchase space from the federal government (*i.e.*, spectrum) on which to deploy the infrastructure necessary to provide service to

¹ See *Assessment and Collection of Regulatory Fees for Fiscal Year 2013, et al.*, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, MD Docket No. 13-140, *et al.*, 28 FCC Rcd 7790 (2013) (NPRM).

² See *Assessment and Collection of Regulatory Fees for Fiscal Year 2013, et al.*, Report and Order, MD Docket No. 13-140, *et al.*, 28 FCC Rcd 12351 (2013) (Report and Order).

³ Comments of Competitive Carriers Association, MD Docket No. 13-140, *et al.* at 7 (filed June 19, 2013) (CCA Comments).

their customers. CCA also pointed out that in other instances, most notably its allocation of Universal Service Fund support, the Commission has adopted rules and policies that fail to treat wireless service as a substitute for or “comparable in many ways” to wireline service.⁴ CCA cited other examples of how wireline and wireless services involve different obligations and thus amounts of effort by the Commission, such as carrier of last resort (COLR) obligations and E911 requirements.

With respect to the basis of regulatory fees, CCA sought clarification on the Commission’s proposal to allocate regulatory fees for wireless providers based on revenues, as opposed to the current methodology of allocating on a subscriber basis.⁵ CCA explained that pursuant to the Communications Act, fees should be assessed based on the costs of regulatory activities of the Commission,⁶ and expressed concern over any proposal that would seek to increase the proportion of regulatory fees paid by wireless service providers simply because wireless revenues overall have increased in recent years.⁷ In addition to pointing out that a large majority of these increased revenues have flowed to the two largest carriers, CCA reiterated that “there is not always a straightforward relationship between growth in the number of subscribers [or] revenues . . . and the amount of work [the] FCC performs related to that fee category”⁸

CCA discussed with the Commission its proposal to comprehensively reexamine how FTEs are allocated throughout the Commission and what should be assessed.⁹ Whatever reallocations the Commission considers, however, CCA encouraged the Commission to administer the process in an open and transparent way, using timely data on Commission regulatory activities that is available to relevant stakeholders. Further, CCA discouraged the Commission from creating a broadband regulatory fee category at this time.¹⁰

This *ex parte* notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission’s Rules.

Sincerely,

/s/ C. Sean Spivey

C. Sean Spivey
Assistant General Counsel

cc (via email): Ms. Mika Savir
Mr. Roland Helvajian

⁴ See CCA Comments at 4-5.

⁵ NPRM at ¶¶ 11-14; Report and Order at ¶ 28.

⁶ 47 U.S.C. § 159(a).

⁷ Other commenters have raised similar concerns. See, e.g., Comments of CTIA – The Wireless Association, MD Docket No. 13-140, *et al.* at 5-6 (filed June 19, 2013).

⁸ CCA Comments at 5-6 (*quoting* U.S. Gov’t Accountability Office, GAO-12-686, *Federal Communications Commission Regulatory Fee Process Needs to be Updated* at 14 (Aug. 2012)).

⁹ Report and Order at ¶ 5.

¹⁰ CCA Comments at 8-9.